

## PEAR TREE POLARIS FOREIGN VALUE FUND

**FOR THE QUARTER ENDED MARCH 31, 2025**, the Pear Tree Polaris Foreign Value Fund's Ordinary Shares (the "Fund") underperformed its benchmark, the MSCI EAFE Index (the "Index"). The Fund had a return of 5.33% at net asset value compared to 7.01% for the Index.

### Market Conditions and Investment Strategies

Financials, Health Care and Industrials contributed most, followed by Index-beating results in Energy and Consumer Discretionary sectors. Materials was the only sector in absolute negative territory, as tariff concerns weighed heavily. Portfolio holdings in Germany, Norway, Sweden, Switzerland, China, Netherlands and Italy posted double-digit gains, while Canada and Ireland detracted on the back of underperforming materials companies.

Four of the top 10 overall portfolio contributors hailed from the Financials sector, led by Norwegian institutions, DNB Bank and Sparebank 1 Sor Norge. DNB's stock price rose more than 30% after announcing solid quarterly earnings, healthy profit margins and an interest rate/currency hedging strategy. Sparebank 1 Sor Norge continued its stellar run, raising return-on-equity targets. Germany's Hannover Re focused on expansion, seeking out new European underwriting opportunities. Fellow reinsurer Munich Re increased profitability in global specialty insurance, while maintaining pricing and underwriting discipline in the property & casualty market despite loss events.

Among Industrials, outsized gains from Loomis AB and Vinci SA were tempered by losses at International Consolidated Airlines Group (IAG). Swedish cash handling company, Loomis, cited good organic growth and margins, coupled with strong free cash flow. Vinci SA rebounded from 2024 lows, as new management outlined global expansion, renewable energy integration, and tech advancements. IAG reported solid results, driven by favorable pricing in the North Atlantic region. However, travel stocks slid after Delta Airlines and Southwest Airlines cut profit expectations on weakening travel demand.

In the Consumer Discretionary sector, Next PLC saw its share price rise due to strong financial performance, an upgraded 2026 profit forecast and online sales growth. China e-commerce site, Vipshop Holdings, had impressive fourth quarter earnings. Conversely, Canada's Magna International fell on the threat of 25% tariffs on auto parts, potentially disrupting supply chains and increasing costs.

Barbell results defined the Communication Services sector, with Deutsche Telekom gaining more than 20%, driven by a solid earnings outlook, growth in its U.S. subsidiary T-Mobile, upside in B2B offerings, and resiliency in the local German market. By contrast, Publicis Groupe lost more than -10% even though the company had solid results and new business wins during the quarter.

Methanex Corp. dragged down the Materials sector results. The Canadian methanol producer addressed an unplanned outage in its Geismar 3 plant; downtime will impact second quarter results. Smurfit Westrock's stock price trended down since releasing mixed fourth quarter 2024 results.

### Portfolio Changes

We exited Swiss generic drug/biosimilars pharmaceutical company, Sandoz AG, as it reached valuation limits. There were no other sales for the quarter. We completed the purchase of International Consolidated Airlines Group, a well-managed, diversified airline with global leadership positions.

### Outlook

At the end of the day, we expect tariffs and non-tariff trade barriers to be negotiated and renegotiated as bargaining chips in an increasingly interconnected world. We must remember that global trade stands at the forefront of prosperity for all economies – including the U.S. To the degree global trading relationships become more frictionless, and based on underlying comparative economic advantages, this could be very positive for a new era of economic growth. ❖

## TOTAL EXPENSE RATIOS\*

	Gross Expense Ratio*	Net Expense Ratio*
Ordinary Shares	1.51%	1.41%
Institutional Shares	1.26%	1.04%
R6 Shares	1.11%	0.94%

\* Per Prospectus dated August 1, 2024, as amended. Reflects all fee waivers and expense reimbursements currently in effect. Fee waivers and expense reimbursements may not be amended, rescinded or terminated before July 31, 2025 without the consent of the Fund's Trustees.

## A WORD ABOUT RISK

Investing in foreign markets, particularly emerging markets, can be more volatile than the U.S. market due to increased risks of adverse issuer, political, regulatory, market or economic developments and can perform differently than the U.S. market. The Fund is non-diversified, meaning it may concentrate its assets in fewer individual holdings than a diversified fund. Therefore, the Fund is more exposed to individual stock volatility than diversified funds. As a result, a decline in the value of the securities of one issuer could have a significant negative effect on the Fund. The Fund may have significant investments in one or more specific industry sectors, subjecting it to risks greater than general market risk. For example, adverse news from just one or two companies in a particular industry can hurt the prices of all stocks in that industry.

### Investment Products

- Not FDIC insured
- May lose value
- No bank guarantee

## PEAR TREE POLARIS FOREIGN VALUE FUND PORTFOLIO HIGHLIGHTS

as of March 31, 2025 (The portfolio is actively managed. Holdings and weightings are subject to change daily.)

### Top Ten Holdings

Percentage of total net assets	
22.7%	DNB Bank ASA
2.4%	Koninklijke Ahold Delhaize N.V.
2.4%	United Overseas Bank Limited
2.3%	Muenchener Ruckversicherungs-Gesellschaft
2.3%	Next plc
2.3%	Deutsche Telekom AG
2.3%	Hannover Rueck SE
2.2%	Takeda Pharmaceutical Company Limited
2.2%	Vinci SA
2.1%	Vipshop Holdings Limited

The companies mentioned in the commentary on page one have the following percentage of total net assets as of 03/31/2025:

2.0%	Sparebank 1 Sor Norge
2.0%	Smurfit Westrock
1.9%	Publicis Groupe
1.7%	International Consolidated Airlines Group
1.4%	Loomis AB
1.4%	Magna International
1.4%	Methanex Corporation

## PERFORMANCE

as of March 31, 2025

### Average Annual Total Returns at Net Asset Value

	Unannualized		Annualized						
	Q1	Calendar YTD	1-Year	3-Year	5-Year	10-Year	15-Year	Since Inception	Inception Date
Ordinary Shares	5.33%	5.33%	1.27%	3.29%	11.59%	3.79%	5.60%	5.74%	05/15/98
Institutional Shares	5.46%	5.46%	1.64%	3.68%	12.01%	4.15%	5.94%	6.85%	12/18/98
R6 Shares	5.49%	5.49%	1.74%	3.79%	12.11%	—	—	4.90%	02/06/17
MSCI EAFE <sup>1</sup>	7.01%	7.01%	5.41%	6.60%	12.31%	5.91%	6.15%	5.15%	—

<sup>1</sup>The Morgan Stanley Capital International Europe, Australasia, and Far East ("MSCI EAFE") Index is an unmanaged index comprised of stocks in countries other than the United States. It is widely recognized as representative of the general market for developed foreign markets. Index returns assume the reinvestment of dividends and, unlike Fund returns, do not reflect any fees or expenses. You cannot invest directly in an Index. For comparative performance purposes, the beginning date for the Index is 05/29/98.

Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. For the most recent month-end performance, visit the Fund's website at [www.pearreefunds.com](http://www.pearreefunds.com).